



**MARKET ACCESS SECRETARIAT  
Global Analysis Report**

# Inside Gulf Cooperation Council (GCC)

## Beef Trade

**September 2015**



### TRADE SUMMARY

The Gulf Cooperation Council (GCC) states, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates, are home to a young population predominantly of Muslim faith. This population is growing in size and expected to reach over 50 million by the year 2020. According to Euromonitor International, Saudi Arabia (26.5 million) and the United Arab Emirates (8.2 million) are the two largest populations in the regions both with large expatriate populations open to global food trends and used to traditional retail formats for their grocery needs. While poultry is the main meat product imported by the GCC from foreign suppliers, foreign halal beef has been growing steadily since 2009 reaching nearly US\$1.3 billion in 2013. The top five non-regional suppliers of beef are India, Australia, Pakistan, the US and Brazil. India primarily supplies boneless fresh beef cuts to the GCC. Most of the foreign beef imported into the GCC is frozen boneless cuts representing 60% of all beef products entering the region. Just over 21% of beef products were fresh boneless cuts and 5% were processed beef products. There is very little beef offal entering the market and almost no bone-in frozen or fresh cuts.

Canada currently ranks as the 10<sup>th</sup> largest supplier of beef and beef products to the GCC markets almost doubling its supply from US\$8.7 million in 2011 to US\$15.2 million in 2013.

Based on GCC import data, boneless frozen beef cuts were the principal items exported by Canada to the GCC with fresh bovine carcasses making up most of the rest of beef exports at US\$2.2 million in 2013. Canada holds only 1.2% of the GCC foreign supply market.

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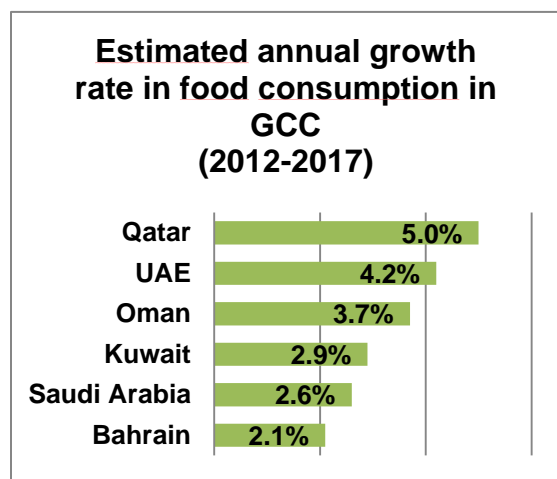
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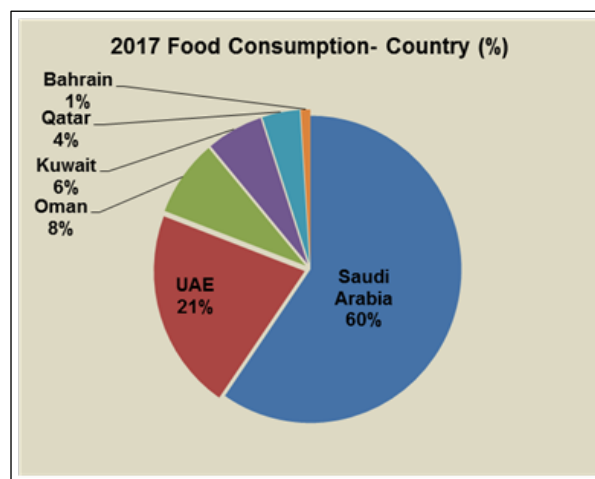
## GULF COOPERATION COUNCIL TRENDS

The Gulf Cooperation Council has one of the youngest populations in the world. By 2020 the region's population is expected to increase by 30% to 53 million, with the vast majority under 25 years of age.

Saudi Arabia has the largest population, estimated at 26.5 million, with the United Arab Emirates (UAE) coming in second at an estimated 8.2 million. Both countries have high expatriate populations, which has a profound influence on the grocery selection in supermarkets, as well as the local food culture.



Source for both: FAO, 2015



Rapid lifestyle changes in the region have been fuelled by oil wealth. Per-capita income in the UAE in 2012 averaged \$47,500, higher than the US average. This high per-capita income is driving demand for imported goods and foods. In fact, most foods are imported into the region due to the agricultural limitations of the region.

Population growth, increasing income per capita and a booming tourism industry are the main drivers of food consumption in the GCC region. Euromonitor International indicates that the GCC is a fast growing market, with consumer spending on food expected to reach US\$106 billion in the next five years.

## OPPORTUNITIES AND MARKET ACCESS LINKED TO HALAL TRENDS

The Gulf countries are among the fastest growing countries in term of population and wealth that represents a good opportunity for foreign suppliers, especially in term of Halal meat. According to Euromonitor International, volume sales of fresh meat are sometimes higher in Muslim countries than the global average.

In addition to that, there is a growing market opportunity in GCC' states; for instance, the UAE will be hosting Expo 2020 and Qatar will be hosting the World Cup of 2022. These events represent tremendous market opportunities for the halal meat market.

In the UAE alone, the total volume growth of meat sold increased by 7% in 2013 and this trend is likely to continue due to the strong economy, the increasing awareness of homemade meals and the tendency to eat outside of the home during weekends.

In terms of market access progress, in 2014 Canada was granted full beef access to Qatar, full beef and cattle access in the UAE, all beef in Bahrain and boneless beef (under thirty months) in Saudi Arabia.



## CANADIAN PERFORMANCE

Canada has made it into the top ten suppliers to the GCC in 2013, surpassing China. GCC states represent 1.2% of Canada's total beef and beef product exports and ranked 6<sup>th</sup> as a Canadian market behind the US, Hong Kong, Mexico, Japan and China. The top GCC destination for Canadian beef in 2013 was Saudi Arabia with exports of US \$12.9 million, mostly made up of frozen boneless beef products. While still at a very small levels, Canada started exporting some fresh beef cuts and some bovine offal products. In comparison, Canada exported nearly US\$3.0 million to Egypt in 2013 and small amounts to Jordan as well.

## BY THE NUMBERS

### GCC, Top 10 Beef and beef product Imports from non GCC suppliers 2013 (US\$ millions)

HS Code	Product	Total Imports from World	Top supplier
020230	Meat of bovine animals, boneless, frozen	\$756	India
020130	Meat of bovine animals, boneless, fresh or chilled	\$270	Australia
020110	Carcasses/half-carcasses of bovine animals fresh/chilled	\$81	Pakistan
160250	Prepared or preserved bovine meat etc. nes.	\$63	Jordan
020120	Meat, bovine cuts with bone-in, fresh or chilled	\$33	Pakistan
020220	Meat, bovine cuts with bone-in, frozen	\$22	United States
020629	Offal of bovine animals, edible, nes, frozen	\$11	Australia
020210	Carcasses/half-carcasses of bovine animals, frozen	\$8	Pakistan
020610	Offal of bovine animals, edible, fresh or chilled	\$6	Pakistan
020622	Livers of bovine animals, edible, frozen	\$3	Australia
021020	Meat, bovine animals, salted, in brine, dried, smoked	\$2	United States
020621	Tongues of bovine animals, edible, frozen	\$0.1	Brazil

Source: Global Trade Atlas, 2015



## TOP TEN FOREIGN BEEF AND BEEF PRODUCT SUPPLIERS TO THE GCC, 2013

### Top 10 Countries Supplying Beef and Beef Products to the GCC and their Top Three Products (\$US)

Country	Product	Value US\$ millions
<b>India</b>	Meat of bovine animals, boneless, frozen	\$443
	Meat of bovine animals, boneless, fresh or chilled	\$56
	Offal of bovine animals, edible, nes*, frozen	\$1
<b>Australia</b>	Meat of bovine animals, boneless, frozen	\$137
	Meat of bovine animals, boneless, fresh or chilled	\$101
	Meat, bovine cuts with bone-in, frozen	\$7
<b>Pakistan</b>	Carcasses/half-carcasses of bovine animals fresh/chilled	\$76
	Meat, bovine cuts with bone-in, fresh or Chilled	\$25
	Carcasses/half-carcasses of bovine animals, frozen	\$6
<b>United States</b>	Meat of bovine animals, boneless, frozen	\$64
	Meat of bovine animals, boneless, fresh or chilled	\$29
	Meat, bovine cuts with bone-in, frozen	\$9
<b>Brazil</b>	Meat of bovine animals, boneless, frozen	\$43
	Meat of bovine animals, boneless, fresh or chilled	\$31
	Prepared or preserved bovine meat etc. nes	\$6
<b>New Zealand</b>	Meat of bovine animals, boneless, fresh or Chilled	\$41
	Meat of bovine animals, boneless, frozen	\$17
	Meat, bovine cuts with bone-in, frozen	\$3
<b>Jordan</b>	Prepared or preserved bovine meat etc. nes	\$29
	Meat of bovine animals, boneless, frozen	\$0
	Meat of bovine animals, boneless, fresh or chilled	\$0
<b>Saudi Arabia</b>	Prepared or preserved bovine meat etc. Nes	\$18
	Meat of bovine animals, boneless, frozen	\$4
	Meat, bovine cuts with bone-in, frozen	\$0
<b>Paraguay</b>	Meat of bovine animals, boneless, frozen	\$21
	Offal of bovine animals, edible, nes, frozen	\$0
	Meat of bovine animals, boneless, fresh or chilled	\$0
<b>Canada</b>	Meat of bovine animals, boneless, frozen	\$12
	Carcasses/half-carcasses of bovine animals fresh/chilled	\$2
	Meat, bovine cuts with bone-in, frozen	\$0

Source: Global Trade Atlas, 2015

\*Nes: not elsewhere specified



## COMPETITIVE LANDSCAPE

### GCC, Top 10 Beef and Beef Product Imports by Foreign Supplier, Sector, and Canadian Share 2011-2013

No	Description	Quantity (millions kg)			Top 3 Suppliers in 2013			Canadian Share %		
		2011	2012	2013	#1	#2	#3	2011	2012	2013
1	Meat of bovine animals, boneless, frozen	285.5	301.8	310.6	India (70.6%)	Australia (14.9%)	Brazil (5.2%)	0%	0%	0.7%
2	Meat of bovine animals, boneless, fresh or chilled	200.8	205	204.3	Australia (34.2%)	India (29.6%)	New Zealand (14.2%)	0%	0%	0%
3	Carcasses/half-carcasses of bovine animals fresh/chilled	30.8	34	41.4	Pakistan (94.9%)	Egypt. (3%)	Australia (1.2%)	0.5%	0.6%	0.9%
4	Prepared or preserved bovine meat etc. nes*	9	9.4	12.6	Jordan (42%)	Brazil (8.7%)	Philippines (6.2%)	0%	0%	0%
5	Meat, bovine cuts with bone-in, fresh or chilled	2.5	5	8.2	France (15.5%)	Germany (30.3%)	Poland (12.6%)	2%	1.6%	1.4%
6	Offal of bovine animals, edible, nes*, frozen	6	5	4.5	U.S. (30.1%)	Australia (6.7%)	New Zealand (11.6%)	3.4%	4.3%	4.9%
7	Meat, bovine cuts with bone-in, frozen	5.6	6.1	4.4	Australia (45.9%)	Brazil (19.4%)	Pakistan (9.6)	0%	0.2%	0.9%
8	Offal of bovine animals, edible, fresh or chilled	2.9	2.4	2.7	Pakistan (71.3%)	Australia (27.3%)	Canada (1%)	0%	0%	0%
9	Livers of bovine animals, edible, frozen	2.7	2.6	2.6	Pakistan (85.3%)	Australia (7.6%)	India (6.5%)	0%	0%	0%
10	Carcasses/half-carcasses of bovine animals, frozen	1.615	0.2	2.2	Australia (46.2%)	U.S. (17.7%)	New Zealand (16.5%)	3.1%	0%	4.8%

Source: Global Trade Atlas, 2015

\*Nes: not elsewhere specified



## FOR MORE INFORMATION

International Trade Commissioners can provide Canadian industry with on-the-ground expertise regarding market potential, current conditions and local business contacts, and are an excellent point of contact for export advice.

- **Overview of Trade Commissioner Services in the MENA region**  
<http://www.tradecommissioner.gc.ca/eng/offices-united-arab-emirates.jsp>
- **Find a Trade Commissioner**  
[www.tradecommissioner.gc.ca/eng/find-trade-contacts.jsp](http://www.tradecommissioner.gc.ca/eng/find-trade-contacts.jsp)

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- [ats-sea.agr.gc.ca](http://ats-sea.agr.gc.ca)

For more information on the 2015 Gulfood exhibition in Dubai, please contact:

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## **Inside the Gulf Cooperation Council: Beef Trade**

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